

BEFORE THE BOARD OF HOUSING
DEPARTMENT OF COMMERCE
STATE OF MONTANA

In the matter of the proposed)	NOTICE OF PROPOSED
amendment of ARM 8.111.409)	AMENDMENT
pertaining to cash advances made to)	
borrowers or third parties)	NO PUBLIC HEARING
)	CONTEMPLATED

TO: All Concerned Persons

1. On June 6, 2006, the Board of Housing proposes to amend ARM 8.111.409 concerning cash advances made to borrowers or third parties.

2. The Board of Housing will make reasonable accommodations for persons with disabilities who wish to participate in the rulemaking process and need an alternative accessible format of this notice. If you require an accommodation, contact the Board of Housing no later than 5:00 p.m. on May 30, 2006, to advise us of the nature of the accommodation that you need. Please contact Diana Hall, 301 South Park Ave., P.O. Box 200528, Helena, MT 59620-0528; telephone (406) 841-2840; fax (406) 841-2841; e-mail dihall@mt.gov.

3. The rule as proposed to be amended provides as follows, stricken matter interlined, new matter underlined:

8.111.409 CASH ADVANCES (1) As part of the loan amount, the board may advance at closing either to the borrower or to third parties as directed by the borrower, an amount not to exceed ~~\$10,000~~ \$30,000 to allow the borrower to satisfy any liens on the property or make repairs to the property, and in addition, a maximum amount not to exceed the actual closing costs for items such as, but not limited to, appraisals, title policies, recording of documents and other closing costs. The board may also advance at closing either to the borrower or to third parties as directed by the borrower, an amount in excess of the above advance of ~~\$10,000~~ \$30,000 as approved by the board on a case-by-case basis. Such amounts so advanced shall be added to the initial loan balance. To receive a cash advance, the borrower must submit a request in writing on forms supplied by the board.

AUTH: 90-6-136, MCA
IMP: 90-6-134, MCA

REASON: Amendment of the above rule is necessary because the number of requests that exceed \$10,000 has increased substantially and the board has determined that staff does not need to come before the board on each request up to the \$30,000. The board has administratively increased the maximum loan amount from \$100,000 to \$150,000 and decided the initial lump sum should be raised as well. Staff will continue to keep the board informed on a semi-annual basis about

the lump sums requested under \$30,000 and present the board with any requests over the \$30,000.

4. Concerned persons may submit their data, views, or arguments concerning the proposed action in writing to the Board of Housing, 301 South Park Ave., P.O. Box 200528, Helena, MT 59620-0528, by facsimile to (406) 841-2841, or by e-mail to mrude@mt.gov to be received no later than 5:00 p.m., June 1, 2006.

5. If persons who are directly affected by the proposed action wish to express their data, views, or arguments orally or in writing at a public hearing, they must make written request for a hearing and submit the request along with any comments they have to the Board of Housing, 301 South Park Ave., P.O. Box 200528, Helena, MT 59620-0528, by facsimile to (406) 841-2841, or by e-mail to mrude@mt.gov to be received no later than 5:00 p.m., June 1, 2006.

6. If the board receives requests for a public hearing on the proposed action from either 10% or 25, whichever is less, of those persons who are directly affected by the proposed action, from the appropriate administrative rule committee of the legislature, from a governmental agency or subdivision, or from an association having no less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register. Ten percent of those persons directly affected has been determined to be 2,000 based on the 20,000 persons who could benefit from this program.

7. An electronic copy of this Notice of Proposed Amendment is available through the department's site on the World Wide Web at <http://commerce.mt.gov>. The department strives to make the electronic copy of this Notice of Proposed Amendment conform to the official version of the notice as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the department strives to keep its website accessible at all times, concerned persons should be aware that the website may be unavailable during some periods, due to system maintenance or technical problems, and that a person's technical difficulties in accessing or posting to the e-mail address do not excuse late submission of comments.

8. The board maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by the board. Persons who wish to have their name added to the list shall make a written request that includes the name and mailing address of the person to receive notices and specifies that the person wishes to receive notices regarding single family housing programs, multifamily housing programs, affordable housing revolving loan account, or general procedural rules. The written request may be mailed or delivered to the Board of Housing, Montana Department of Commerce, P.O. Box 200528, Helena, MT 59620-0528, faxed to the board at (406) 841-2841, e-mailed to dihall@mt.gov or submitted at any rules hearing held by the board.

9. The Board of Housing will meet in Helena on June 6, 2006, at 1:00 p.m. to consider the comments made by the public, the proposed responses to those comments, and to take final action on the proposed amendment. The meeting will be held in conjunction with the board's regular meeting. Members of the public are welcome to attend the meeting and listen to the board's deliberations, but the board cannot accept any comments concerning the proposed amendment beyond the June 1, 2006, deadline.

10. The bill sponsor notice requirements of 2-4-302, MCA, do not apply.

DEPARTMENT OF COMMERCE
BOARD OF HOUSING

By: /s/ ANTHONY J. PREITE
ANTHONY J. PREITE, DIRECTOR
DEPARTMENT OF COMMERCE

By: /s/ G. MARTIN TUTTLE
G. MARTIN TUTTLE, RULE REVIEWER

Certified to the Secretary of State April 24, 2006